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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

MAR 5 2001

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SEGRETARY

In the Matter of) DOCKET FILE COPY ORIGINAL
2000 Biennial Regulatory Review	<i>)</i>)
Review of Policies and Rules Concerning) CC Docket No. 00-257
Unauthorized Changes of Consumers) —
Long Distance Carriers)
Implementation of the Subscriber Carrier	<i>)</i>)
Selection Changes Provisions of the)
Telecommunications Act of 1996) CC Docket No. 94-129
Policies and Rules Concerning	<i>)</i>)
Unauthorized Changes of Consumers	<u>,</u>
Long Distance Carriers)

AT&T REPLY COMMENTS

Pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. §

1.415, AT&T Corp. ("AT&T") submits this reply to the comments of other parties on the Commission's <u>Third Further Notice</u> in this proceeding, ¹ proposing as part of its biennial regulatory review to adopt expedited procedures for processing certain sales or transfers of carriers' presubscribed customers.²

(footnote continued on following page)

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²⁰⁰⁰ Biennial Regulatory Review of Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers; Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996; Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers, CC Docket Nos. 00-257 and 94-129, Third Further Notice of Proposed Rulemaking, FCC 00-451, released January 18, 2001 ("Third Further Notice"), published at 66 FR 8093 (January 29, 2001).

In addition to AT&T, comments on the <u>Third Further Notice</u> were filed by the Association of Communications Enterprises ("ASCENT"); IDT Corporation

AT&T showed in its Comments that the procedures proposed in the Third Further Notice, with certain limited modifications, will effectuate the Commission's objective in this proceeding of alleviating unnecessary burdens on both the agency and carriers posed by the current process for obtaining waivers of the Commission's carrier selection rules where such relief is required to implement sales and transfers of carriers' presubscribed customer bases. The overwhelming majority of the commenters mirror AT&T's recommendations in their filings.

Thus, there is almost unanimous recognition among commenters that address the issue that written notice of a sale or transfer to affected customers prior to such transactions is fully sufficient to satisfy the consumer protection goals of the Commission's carrier selection rules, and that requiring a second notice to be provided after the transaction's consummation would be superfluous. Moreover, as AT&T demonstrated (pp. 5-6), and as other commenters likewise show in their

(Footnote continued from preceding page)

("IDT"); the Independent Telephone & Telecommunications Alliance ("ITTA"); the Maine Public Utilities Commission ("MPUC"); the Nebraska Public Service Commission ("Nebraska PSC"); Qwest Corporation ("Qwest"); SBC Communications, Inc. ("SBC"); Sprint Corporation ("Sprint"); the United States Telecom Association ("USTA"); Verizon; WorldCom, Inc. ("WorldCom"); and by the Public Service Commission of Wisconsin ("Wisconsin PSC").

See ASCENT, p. 3 (noting "the new carrier will assuredly seek out contact with the customer as a matter of good business retention practices"); IDT, p. 3 (second notice "provide[s] no tangible benefit to subscribers"); ITTA, p. 4 (customers "will not gain anything more from a second notice"); MPUC, p. 3 (agency "does not believe that a second notice . . . is necessary"); Sprint ("post-acquisition follow-up letter would be redundant"); USTA ("one [notice] should be sufficient"); WorldCom, p. 5 (the Commission "should only require a single notification"); Wisconsin PSC, p. 3 ("there is no need for a further customer notice after the transaction").

submissions,⁴ requiring a second notice would seriously disserve the Commission's objective in this proceeding of eliminating burdensome requirements on carriers.⁵

There is likewise broad agreement among the commenters with AT&T's showing (Comments, pp. 4-5) that certain modifications should be made in the contents of the customer notice proposed in the Third Further Notice. In particular, as AT&T demonstrated (id.), commenters concur that it is neither feasible nor desirable for the Commission to require acquiring carriers to include in those notices information about their rates, terms and conditions of service. Those same data can be more conveniently obtained by affected subscribers from acquiring carriers' Website and/or through those carriers' toll-free numbers, which the commenters generally agree should be included in those customer notices.⁶

The commenters also generally agree that it would be both operationally impractical and inappropriate as a matter of regulatory policy to require acquiring carriers to continue charging affected customers at their prior carrier's rates for some period of time. As these parties recognize, acquiring carriers will in almost all cases be unable to replicate the customers' current charges due to material

⁴ See <u>IDT</u>, p. 3; ITTA, p, 4; Sprint, p. 3.

SBC (pp. 3-5), the only commenter expressly to support both pre- and posttransaction notice, fails to show any benefit from requiring two notices or to take account of the burden on carriers of requiring the second notice.

See, e.g., ASCENT, pp. 4-6 (referring customers to Web site "would more than adequately" serve informational purposes); ITTA, pp. 4-5; WorldCom, p. 6 ("provision [in the notice] of terms and conditions . . . would be extremely costly"). Other commenters also recognize, as does AT&T (p. 4 n.7), that the Commission should not adopt separate requirements in this proceeding governing notice to customers with disabilities. See ASCENT, p. 8; Sprint, p. 3 n.2.

differences between their billing and other customer support systems and those facilities of the customers' prior carrier.⁷ Attempting to impose such a requirement is also facially at odds with the purpose of requiring pre-transaction notice to affected customers, which is to allow subscribers that do not desire service from the acquiring carrier to select another service provider.⁸

Finally, most commenters acknowledge that it would be inappropriate for the Commission to require acquiring carriers, as a condition of using the new streamlined procedure, to assume responsibility for resolving acquired subscribers' complaints regarding service rendered to them by their prior carrier. As a threshold matter, acquiring carriers will frequently lack access to the necessary information and systems required to investigate and redress such complaints concerning another carrier's service, as AT&T noted in its Comments (p. 6 n.11). Further, regulating intercarrier liabilities goes far beyond the purpose of this proceeding, which is to eliminate regulatory burdens without diluting existing consumer protection measures for carrier selection. The carrier under whose aegis the service was rendered should therefore remain liable for addressing customer complaints about that service.

⁷ See IDT, p. 8; Sprint 4; USTA, p.4; SBC, pp. 5-6; Verizon, p. 3.

^{8 &}lt;u>See, e.g.</u>, ITTA, p. 5-6; WorldCom, p. 4.

⁹ <u>See, e.g., Sprint, pp. 5-6;</u>

See, e.g., SBC, p. 5; USTA, pp. 4-5; WorldCom, pp. 6-7.

For the reasons stated above, the Commission should adopt the proposals in the <u>Third Further Notice</u> with the modifications described herein and in AT&T's Comments.

Respectfully submitted,

AT&T Corp.

By Peter H. Jacoby / ha
Mark C. Rosenblum

Peter H. Jacoby

Room 1134L2

295 North Maple Avenue

Basking Ridge, N.J. 07920

(908) 221-4243

Its Attorneys

March 5, 2001

CERTIFICATE OF SERVICE

I, Hagi Asfaw, do hereby certify that on this 5th day of March 2001, a copy of the foregoing "AT&T Reply Comments" was mailed by U. S. first class mail, postage prepaid, to the parties listed on the attached service list.

Hasi Osfaci Hagi Asfaw

SERVICE LIST CC Docket Nos. 00-257 & 94-129

Alexander Starr *
Chief, Formal Complaints and
Investigations Branch
Enforcement Division
Common Carrier Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

Radhika Karmarkar *
Deputy Chief, Formal Complaints
and Investigations Branch
Enforcement Division
Common Carrier Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

Docas Shotler *
Formal Complaints and Investigations
Branch
Enforcement Division
Common Carrier Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

Jeffrey Dygert *
Formal Complaints and Investigations
Branch
Enforcement Division
Common Carrier Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

International Transcription Services (ITS) 1231 20th Street, N.W. Washington, D.C. 20554

*Hand Delivery

Charles C. Hunter
Catherine M. Hannan
Hunter Communications Law Group
1620 I Street, N.W., Suite 701
Washington, DC 20006

Carl Wolf Billek Assistant General Counsel IDT Corporation 520 Broad Street Newark, NJ 07102-3111

David W. Zesiger
Executive Director
The Independent Telephone &
Telecommunications Alliance
1300 Connecticut Avenue, N.W.
Suite 600
Washington, DC 20036

Karen Brinkmann
Richard R. Cameron
Elizabeth R. Park
Latham & Watkins
1001 Pennsylvania Avenue, N.W.
Suite 1300
Washington, DC 20004-2505

David D. Davidson, Director Consumer Assistance Division Maine Public Utilities Commission 242 State Street 18 State House Station Augusta, Maine 04333-0018

Frank Landis, Chairman Nebraska Public Service Commission 300 The Atrium - 1200 N Street P.O. Box 94927 Lincoln, Nebraska 68509

Sharon J. Devine
Kathryn Maric Krause
Qwest Corporation
1020 19th Street, N.W. – Suite 700
Washington, DC 20036

Leon M. Kestenbaum Jay C. Keithley Michael B. Fingerhut SPRINT CORPORATION 401 9th Street NW, Suite 400 Washington, DC 20004

Lawrence E. Sarjcant
Linda L. Kent
Keith Townsend
John W. Hunter
Julie E. Roncs
UNITED STATES TELECOM
ASSOCIATION
1401 11 Street, N.W.
Suite 600
Washington, D.C. 20005-2164

Davida M. Grant Roger K. Toppins Paul Mancini SBC Communications Inc. 1401 I Street, N.W. 11th Floor Washington, D.C. 20005

John M. Goodman
THE VERIZON TELEPHONE
COMPANIES
1300 I Street, N.W.
Washington, DC 20005

Mary L. Brown Karen Reidy WORLDCOM, Inc. 133 19th Street, NW Washington, DC 20006